

## **COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT**

### **February 2004**

#### **Summary**

Revenue collections were again impressive in February, increasing by 11.2 percent. Monthly collections have exceeded seven percent for the last three months. It should be noted that collections in the same three month period last year were extremely weak. February's strong performance was across the board in all major revenue sources. On a year-to-date basis, growth is up 6.7 percent, well ahead of the forecast of 2.9 percent growth.

#### **Motor Fuels Tax (excluding PTF Fuels Tax Revenue)**

Motor Fuels Tax collections grew by 7.2 percent in February. Annual collections through the first half of fiscal year 2004 are up 3.9 percent, ahead of the 2.0 percent official forecast. The effects of elevated crude oil prices and strong demand for motor gasoline have been felt at the pump. High crude prices and strong demand growth will ensure elevated gasoline prices. Prices may well reach new records during what may turn out to be the busiest summer driving season ever.

#### **Motor Vehicle Sales and Use Tax**

Vehicle sales returned to its torrid pace in February. Collections in this source increased by 21.4 percent in February and are up 13.4 percent for the year, far outpacing the official estimate of 5.7 percent growth. Since the beginning of fiscal year 2004, collections of motor vehicle sales taxes have grown by at least nine percent in eight of the nine months. February collections were boosted by the comparison with last February's decline of 7.5 percent. Year-to-date growth is expected to slow over the final quarter of the fiscal year as these collections will be compared to a strong final quarter of fiscal year 2003.

#### **State Retail Sales Tax**

The transportation portion of retail sales tax increased by 8.5 percent in February. Collections in this source are up 8.1 percent in fiscal year 2004.

#### **Motor Vehicle Licenses**

Motor Vehicle Registrations were up 15.9 percent in February as comparisons to last February's decline of 11.1 percent inflated growth. Collections of \$12.4 million were higher than the \$10.7 million collected last February. Motor vehicle license receipts are up 3.9 percent for the year. However, similar to motor vehicles sales tax collections, year-to-date growth is expected to slump over the final quarter of the fiscal year as collections over the final quarter of fiscal year 2003 grew by 18.7 percent.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Revenue Estimates & Collections**  
**For the Fiscal Years 2003 and 2004**  
**(Dollars in Thousands)**

<b>Revenue</b>	<b>FY 2004 Estimate</b>	<b>As a % of Total Fund</b>	<b>February</b>			<b>Year-To-Date</b>			<b>% Annual Growth Required By Estimate</b>
			<b>FY 2004</b>	<b>FY 2003</b>	<b>% Change</b>	<b>FY 2004</b>	<b>FY 2003</b>	<b>% Change</b>	
<b>Motor Fuel Taxes</b>	\$825,100	25.00	\$70,257	\$65,520	7.2	\$499,663	\$480,972	3.9	2.0
<b>Priority Transportation Fund</b>	20,000	0.61	2,000	2,000	0.0	12,000	12,000	0.0	0.0
<b>Motor Vehicle Sales and Use Tax</b>	573,600	17.39	43,574	35,897	21.4	393,690	347,278	13.4	5.7
<b>State Sales and Use Tax</b>	395,800	12.00	30,027	27,681	8.5	269,730	249,611	8.1	5.4
<b>Motor Vehicle License Fees</b>	156,600	4.74	12,391	10,692	15.9	103,566	99,690	3.9	(1.3)
<b>International Registration Plan</b>	58,800	1.78	3,622	4,083	(11.3)	24,598	25,847	(4.8)	2.1
<b>Interest Earnings</b>	9,900	0.30	0	0	-	7,232	10,527	(31.3)	(32.3)
<b>Misc. Taxes, Fees, and Revenues</b>	18,600	0.57	1,742	1,227	42.0	13,989	15,719	(11.0)	(19.9)
<b>Total State Taxes and Fees</b>	<b>\$2,058,400</b>	<b>62.39</b>	<b>\$163,613</b>	<b>\$147,100</b>	<b>11.2</b>	<b>\$1,324,468</b>	<b>\$1,241,644</b>	<b>6.7</b>	<b>2.9</b>

# Percentage is greater than 1,000%.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Statement of Revenue Estimates & Collections**  
**For the Fiscal Years 2003 and 2004**  
(Dollars in Thousands)

Revenue	FY 2004 Estimate	As a % of Total Fund	February			Year-To-Date			% Annual Growth Required By Est
			FY 2004	FY 2003	% Change	FY 2004	FY 2003	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$703,200	21.31	\$61,578	\$55,721	10.5	\$430,312	\$409,920	5.0	2.1
Motor Vehicle Sales and Use Tax	368,700	11.18	28,006	22,859	22.5	253,542	222,913	13.7	6.0
Motor Vehicle License Fees	135,700	4.11	10,781	9,281	16.2	90,588	87,588	3.4	(2.4)
International Registration Plan	58,800	1.78	3,622	4,083	(11.3)	24,598	25,847	(4.8)	2.1
Misc. Taxes, Fees, and Revenues	18,600	0.57	1,742	1,227	42.0	13,989	15,719	(11.0)	(19.9)
Total State Taxes and Fees	<u>\$1,285,000</u>	<u>38.95</u>	<u>\$105,729</u>	<u>\$93,171</u>	<u>13.5</u>	<u>\$813,029</u>	<u>\$761,987</u>	<u>6.7</u>	<u>2.3</u>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$1,279	\$971	31.7	\$8,825	\$9,703	(9.0)	(100.0)
Transfer (to) / from Transportation Trust Fund	<u>\$20,200</u>	<u>0.61</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$56,902</u>	<u>\$102,271</u>	<u>(44.4)</u>	<u>(79.2)</u>
Total Highway Maintenance and Operating Fund	<u>\$1,305,200</u>	<u>39.56</u>	<u>\$107,008</u>	<u>\$94,142</u>	<u>13.7</u>	<u>\$878,756</u>	<u>\$873,961</u>	<u>0.5</u>	<u>(4.5)</u>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$121,900	3.69	\$8,679	\$9,799	(11.4)	\$69,351	\$71,052	(2.4)	1.5
Priority Transportation Fund	20,000	0.61	2,000	2,000	0.0	12,000	12,000	0.0	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	204,900	6.21	15,568	13,038	19.4	140,148	124,365	12.7	5.2
State Sales and Use Tax	395,800	12.00	30,027	27,681	8.5	269,730	249,611	8.1	5.4
Motor Vehicle License Fees	20,900	0.63	1,610	1,411	14.1	12,978	12,102	7.2	6.1
Interest Earnings	9,900	0.30	0	0	-	7,232	10,527	(31.3)	(32.3)
Total State Taxes and Fees	<u>\$773,400</u>	<u>23.44</u>	<u>\$57,884</u>	<u>\$53,929</u>	<u>7.3</u>	<u>\$511,439</u>	<u>\$479,657</u>	<u>6.6</u>	<u>3.8</u>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,068,800	32.39	\$33,309	\$41,633	(20.0)	\$472,135	\$444,424	6.2	57.6
Receipts from Cities/Counties	45,500	1.38	1,297	2,971	(56.3)	24,240	21,679	11.8	80.0
Toll Revenues (Includes Route 28)	60,800	1.84	3,826	3,207	19.3	41,202	38,187	7.9	(3.2)
Miscellaneous Revenues	65,900	2.00	2,635	2,222	18.6	12,035	11,825	1.8	279.1
Total Other Revenues	<u>\$1,241,000</u>	<u>37.61</u>	<u>\$41,067</u>	<u>\$50,033</u>	<u>(17.9)</u>	<u>\$549,612</u>	<u>\$516,115</u>	<u>6.5</u>	<u>58.3</u>
Transfer (to) / from Highway Maintenance and Operating Fund	<u>(\$20,200)</u>	<u>(0.61)</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>(\$56,902)</u>	<u>(\$102,271)</u>	<u>44.4</u>	<u>79.2</u>
Total Transportation Trust Fund	<u>\$1,994,200</u>	<u>60.44</u>	<u>\$98,951</u>	<u>\$103,962</u>	<u>(4.8)</u>	<u>\$1,004,149</u>	<u>\$893,501</u>	<u>12.4</u>	<u>39.3</u>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<u>\$3,299,400</u>	<u>100.00</u>	<u>\$205,959</u>	<u>\$198,104</u>	<u>4.0</u>	<u>\$1,882,905</u>	<u>\$1,767,462</u>	<u>6.5</u>	<u>17.9</u>

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